



November 5, 2004

## **Pharmacy owner sentenced for selling free drug samples obtained from a physician**

A federal judge today sentenced **Anthony Albanese**, owner of **Cameron's Pawtuxet Pharmacy**, to 37 months in federal prison for illegally diverting free drug samples for sale at the pharmacy. Albanese has also forfeited to the government \$431,410.62 and must pay a \$45,000 fine.

The Office of the United States Attorney announced the sentence, which U.S. District Court Judge Mary M. Lisi imposed in U.S. District Court Providence. **Wallace Gonsalves**, a Cranston physician who sold the manufacturers' samples to Albanese, is serving a ten-year prison sentence for selling the samples and for diluting vaccines. Albanese, 48, of 11 Kristen Drive, North Providence, must report to prison on November 26.

In July, Albanese and Gonsalves pleaded guilty to several charges in connection with the scheme to divert the samples to Cameron's, located at 2206 Broad Street, Cranston. Assistant U.S. Attorney Luis M. Matos said at the plea hearings that the government could prove that, during a two-year period between July 2000 and August 2002, Gonsalves regularly sold Albanese promotional prescription drug samples that manufacturers had given to the doctor. It is illegal under federal law to divert the samples for sale because drug manufacturers lose their ability to control the quality of prescription drugs sold in pharmacies.

From among the more than 300,000 free pills that manufacturers' representatives gave him between July 2000 and August 2002, Gonsalves sold Albanese samples of a variety of

drugs, including Avandia, Prilosec, Vioxx, Lipitor, Celebrex, and Paxil. Cameron's, in turn, sold 209,797 of the sample pills in prescriptions and then illegally received \$431,410.62 from health insurers by filing fraudulent reimbursement claims.

Judge Lisi has ordered both defendants to repay the health insurance firms the full amount of the fraud – \$431,410.62. Albanese will have to pay any of that amount that Gonsalves fails to pay. In addition to the restitution order, Albanese has also forfeited \$431,410.62 to the government.

Under a provision of federal food and drug statutes, Judge Lisi ordered that half of the \$45,000 fine imposed on Albanese go to a witness who reported the drug diversion scheme to state health officials.

Assistant U.S. Attorneys Matos and Lisa Dinerman prosecuted the case for the government. The case resulted from a joint investigation by the **U.S. Food and Drug Administration, Office of Criminal Investigations**; the **U.S. Department of Health and Human Services, Office of Inspector General, Office of Investigations**; the **Internal Revenue Service, Criminal Investigations**; the **U.S. Postal Inspection Service**; the **Rhode Island Attorney General's Medicaid Fraud Control Unit**; the **Rhode Island Department of Health**; and the **North Providence Police Department**. The Bureau of Immigration and Customs Enforcement provided assistance.

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